

« Oil crises » (Video transcript)

What is an oil crisis?

An oil crisis is a phenomenon caused by a shortage of oil. It is defined by a sudden decrease in supply of oil compared with demand / which results in soaring oil prices / and triggers significant economic turmoil on an international scale

= Higher prices / Decreased household consumption / Reduced industrial activity / Increased unemployment

Oil is used everywhere, for many different applications. Example: fuel / Example: raw material / to make thousands of everyday consumer goods

And oil crises have a particularly serious impact because no product exists as an equivalent to oil / that can meet the same needs at a lower cost.

There have been **three oil crises in recent years:**

1973 / Oil embargo imposed on Israel's allies by Arab countries during the Yom Kippur War.

Oil prices increased 4-fold between October 1973 and January 1974.

1979 / As a result of the Iran-Iraq war. Oil prices more than doubled between 1978 and 1980.

2008 / Not caused by geopolitical instability, but by a rise in demand, from emerging countries in particular, such as / India / China

Summary:

Oil crises are caused by a shortage of oil, which leads to a rise in oil prices.

Consequences: higher prices, decreased household consumption, reduced industrial activity and increased unemployment.

Serious impact because economies still depend heavily on oil for a variety of uses where it can't be replaced.

So there is a need for "energy transitions": more renewable energies, innovative technologies and greater energy efficiency.